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PART IV

Advertisements and Notices by Private Individuals and Corporations

INDUSTRIAL FINANCE CORPORATION OF INDIA

(Incorporated under the Industrial Finance Corporation Act, 1948 (XV of 1948)

report on the working of the Corporation during the year.

After payment of expenses of administration and payment of interest on borrowings, and after providing Rs. 5 lakhs towards Reserve for Doubtful Debts, the net profit amounted to 17,18,635 2 0

AMENDMENTS TO EMPLOYEES' PROVIDENT FUND REGULATIONS

New Delhi, the 31st August 1954

No. 12/54—In exercise of the power conferred by Section 43(1) of the Industrial Finance Corporation Act, 1948 (XV of 1948), the Board after consultation with the Reserve Bank of India and with the previous sanction of the Central Government made the following amendments to the Industrial Finance Corporation of India Employees' Provident Fund Regulations :—

In Regulation 8 of the said Regulations—

- (i) after the word and figure "Regulation 5" in the first place where they occur, the words " : provided further that nothing in the foregoing proviso shall apply to a subscriber whose contract of employment provides specifically for the payment of contributions by the Corporation and the conditions governing such payment :" shall be inserted;
- (ii) for the existing words "Provided further", the words "Provided also" shall be substituted.

NOTIFICATION

New Delhi, the 4th September 1954

Election of one auditor under Section 34 of the Industrial Finance Corporation Act (XV of 1948).

No. 13/54—It is hereby notified for the information of the Shareholders that the Corporation has received only one valid nomination in favour of Messrs. S. B. Billimoria & Co., 113, Mahatma Gandhi Road, Fort, Bombay for the election of one Auditor and therefore, they shall be deemed to be elected as one of the Auditors of the Corporation at the Sixth Annual General Meeting of the Shareholders of the Corporation to be held on Saturday, the 18th September 1954 at 4.30 P.M. in the hall of the Constitution Club, Curzon Road, New Delhi.

V. R. SONALKER
Managing Director

INDUSTRIAL FINANCE CORPORATION OF INDIA

Sixth Annual Report

Report of the Board of Directors of the Industrial Finance Corporation of India for the year ended 30th June 1954, under Section 35 of the Industrial Finance Corporation Act, 1948.

ANNUAL ACCOUNTS

The Board of Directors present herewith the Accounts for the year ended the 30th June 1954, together with their

(No interest has been charged for the year in respect of the advances made to Sodepore Glass Works Ltd.)

After making a provision for income-tax and Corporation Tax Amounting to	10,00,000 0 0
The balance available for meeting the guaranteed dividend of 24% will be	7,18,636 2 0
<hr/>	
	17,18,636 2 0

The Central Government, in pursuance of Section 5 of the above Act, have guaranteed a dividend of 24% per annum on the paid-up Share Capital of Rs. 5 crores. It is proposed to call upon Government for the balance of Rs. 4,06,363/14/- to make up the guaranteed dividend. The total amount already drawn from Government by way of subvention to meet the guaranteed dividend declared for the first four years ending 30th June 1952 amounts to Rs. 26,89,126/4/6.

Board of Directors.—As stated in the last Annual Report, in terms of Section 11(2) of the Industrial Finance Corporation Act, 1948, Shri Birendra Nath Mookerjee, representing Scheduled Banks, Shri B. K. Shah, F.I.A., representing Insurance Companies, Investment Trusts and other like financial institutions, and Shri R. G. Saraiya, representing Co-operative Banks, retired from the Board in September 1953, but did not offer themselves for re-election at the Fifth Annual General Meeting of the Shareholders of the Corporation held on the 19th September 1953. The following were elected at that meeting to represent the categories of share-holders shown against each.

1. Shri S. V. Ramamurti Elected to represent Scheduled Banks.
I.C.S. (Retd.)
2. Shri S. C. Roy .. Elected to represent Insurance Companies, Investment Trusts and other like financial institutions.

As no nomination was received from the Co-operative Banks for the election of one Director vice Shri R. G. Saraiya, a Special General Meeting was held on the 21st November 1953, at which Shri Syamnandan Sahaya, M.P., was elected.

On the 5th November 1953, the Central Government, under Section 10(1)(a) of the Act, nominated Shri S. G. Barve, I.C.S., as a Director vice Shri G. R. Kamat, I.C.S., who left India to take up the duties of an Executive Director of the International Bank for Reconstruction and Development.

On the 10th February 1954, the Central Government, under Section 10(1)(a) of the Act, nominated Shri P. C. Bhattacharyya, as a Director of the Corporation.

On the 23rd April 1954, the Central Government accepted the resignation of Shri Khandubhai K. Desai, M.P., from the directorship of the Corporation, but re-nominated him on the 10th June 1954 in terms of Section 10(1)(a) of the Act.

Professor D. R. Gadgil, a nominee of the Central Board of the Reserve Bank of India, resigned from the Board. In his place, Shri B. Venkatappiah, I.C.S., was nominated as a Director on the 28th June 1954.

The Board desires to place on record its appreciation of the valuable services rendered by the Directors, both elected and nominated, who retired or resigned from the Board of the Corporation.

Shri Shri Ram resigned from the Chairmanship of the Board of the Corporation on the 14th February 1954. The Central Government regretfully accepted his resignation and asked the Corporation to convey to him their appreciation for making his valuable knowledge and experience available to the Corporation in its early years. The Board also desires to place on record its appreciation of the services rendered by Shri Shri Ram as its first Chairman, and to pay a tribute to the immense interest taken by him in the affairs of the Corporation and the part played by him in shaping its policies and methods of business.

At an emergent meeting of the Board of Directors of the Corporation held on the 3rd March 1954, the Board unanimously resolved to recommend to the Central Government, in accordance with Section 15(1) of the Industrial Finance Corporation Act, that Shri P. C. Bhattacharyya be nominated by the Government as Chairman of the Board. The Central Government, on the 11th March 1954, nominated Shri P. C. Bhattacharyya as Chairman of the Board of the Corporation.

Meetings of the Board and of the Executive Committee.—During the year under report 9 meetings of the Board were held. The Executive Committee of the Board met 10 times.

Ad-hoc Committees.—The Textile Advisory Committee and the Sugar Ad Hoc Committee continued to function during the year under report.

It has been decided to set up two more Ad Hoc Committees to deal with applications from the following types of industries :—

(a) Engineering.

(b) Chemicals.

Distribution of shares.—During the year under review 5 transfer applications for 43 shares were received and the present distribution of shares of the Corporation as on 30th June 1954 as compared with the position at the close of each of the previous 3 years is given below :—

	30-6-51	30-6-52	30-6-53	30-6-54
Central Government	.. 2,000	2,000	2,000	2,000
Reserve Bank of India	.. 2,054	2,054	2,054	2,054
Scheduled Banks ..	.. 2,475	2,435	2,430	2,405
Insurance Companies, Investment Trusts and other like financial institutions	.. 2,528	2,568	2,573	2,596
Co-operative Banks ..	.. 943	943	943	945

Bonds—The total amount of Bonds outstanding at the end of the year under report was Rs. 7,80,50,000. Arrangements have been made with the Reserve Bank of India for borrowing up to Rs. 3,00,00,000 under Section 21(3)(b) of the Industrial Finance Corporation Act, 1948, until the Corporation considers the time suitable for entering the market for sale of further Bonds.

Rate of interest.—The rate of interest charged by the Corporation on the loans granted by it remained unchanged at 6½ per annum with a rebate of ½% if the interest and instalments of principal were paid on the due dates.

Auditors.—The Central Government appointed Messrs. S. Vaidyanath Aiyar & Co., Delhi, as auditors of the Corporation for the year ended 30th June 1954, and at the Annual General Meeting of the shareholders of the Corporation held on the 19th September 1953, Messrs. S. B. Billimoria and Co., Bombay, were elected as auditors on behalf of the shareholders other than the Central Government and the Reserve Bank of India for the year ended 30th June 1954. Messrs. S. B. Billimoria & Co., will retire but are eligible for re-election.

Review of operations.—Comparative figures relating to loan applications dealt with during the last two years, are given below :—

	During the year ended 30-6-1953		During the year ended 30-6-1954
No.	Amount	No.	Amount
	Rs.		Rs.
Applications received ..	74	8,25,47,000	43 9,00,70,000
Applications sanctioned ..	14	1,43,25,000	29 5,27,03,000
Applications rejected : ..	30	2,61,61,000	27 2,21,00,000
Applications under consideration at the end of the year : ..	41	5,21,86,000	17 5,11,25,000
Applications treated as lapsed ..	..	..	..
Applications withdrawn : ..	6	55,75,000	11 1,22,11,000

The aggregate amount of the loans applied for this year was the highest after first year. The total number of applications received was, however, the lowest. The number of applications still under consideration at the end of the year was also the lowest.

Forty-three applications received during the year for loans aggregating Rs. 9,00,70,000 covered a variety of industries.

There was only one application for putting up a new factory, and that was from a co-operative sugar factory in the Deccan. Applications from cotton textile, woollen, paper and silk mills were mostly for renovation, modernisation and expansion. Some parts of the loans were to be utilised for strengthening the resources for working capital. Some applications contained proposals to repay loans taken from banks for short periods for acquiring capital assets. Fourteen out of the fortythree applications came from sugar mills, paper mills, aluminium, cement and mining industries. The total amount asked for by these 14 applications was Rs. 6,21,25,000.

The position as regards the actual commitments of the Corporation for the loans sanctioned and availed of, was as follows :

The loans sanctioned by the Corporation since its inception to 30th June 1954, aggregated Rs. 20,73,75,000. During the last six years, a number of companies, for various reasons, mostly on account of changes in the economic conditions in the country, or changes in their plans or favourable changes in their financial position, did not avail of the loans sanctioned to them. Besides this, some of the companies did not avail of the full amount of the loans sanctioned; some others could not fulfil some of the important conditions and the loans sanctioned were therefore, not disbursed to them.

The loans not to be availed of by the applicants together with portions of loans not availed of aggregated Rs. 2,58,99,200. The loans not made available to the borrowers for non-compliance of conditions amounted to Rs. 67,20,000.

At the end of June 1954, the Corporation had already made loans available amounting to Rs. 12,88,65,752. The amount yet to be made available, as on 30th June 1954, was Rs. 4,58,90,048.

The applications sanctioned during the year related to a variety of industries. The types of industries and the amount of accommodation sanctioned for each industry are given below, together with the aggregate for the previous years :—

CLASSIFICATION OF LOANS AND ADVANCES SANCTIONED "INDUSTRY-WISE"

Type of Industry.	Amount sanctioned during the year ended 30th June 1954.	Amount sanctioned upto the year ended 30th June 1953.	Total.
1	2	3	4
Textile Machinery ..	..	Rs. 64,00,000	Rs. 64,00,000
Mechanical Engineering ..	..	73,00,000	73,00,000
Electrical Engineering ..	2,70,000	1,28,50,000	1,29,20,000
Cotton Textiles ..	37,50,000	2,69,75,000	3,07,25,000
Woollen Textiles ..	..	35,00,000	35,00,000
Rayon Industry ..	..	50,00,000	50,00,000

1	2	3	4
	Rs.	Rs.	Rs.
Chemicals	46,00,000	1,97,75,000	2,43,75,000
Cement	1,45,00,000	90,00,000	2,35,00,000
Ceramics & Glass ..	16,00,000	1,19,00,000	1,35,00,000
Oil Mills	50,000	6,00,000	6,50,000
Electric Power ..	25,000	42,50,000	42,75,000
Metallurgical Industry (Non-ferrous Metals) ..		35,00,000	35,00,000
Iron & Steel (Light-Engineering) ..	44,50,000	65,00,000	1,12,50,000
Aluminium .. ..	..	50,00,000	50,00,000
Sugar Industry ..	90,50,000	1,15,00,000	2,05,50,000
Mining	7,00,000	30,00,000	37,00,000
Paper Industry ..	1,30,00,000	74,00,000	2,04,00,000
Automobile & Tractor Industry .. ..	..	50,00,000	55,00,000
Unclassified	7,10,000	51,20,000	58,30,000
	5,27,05,000	15,46,70,000	20,73,75,000

A consolidated statement showing the loans sanctioned to the various types of industries and how they are distributed over the several States of the Union is given in Appendix 'A'.

Appendix 'B' shows an analysis of the total advances sanctioned by amounts.

During the last six years 68 applications from new undertakings, i.e., factories that went into production after the 15th August 1947, were sanctioned, covering amounts aggregating Rs. 9,70,00,000.

During the same period, 69 applications from old established undertakings for modernisation and expansion were sanctioned. The loans sanctioned to them totalled Rs. 11,03,75,000.

Separate figures for each of the six years are given in Appendix 'C'.

A statement showing the total amount of loans sanctioned by the Corporation since its inception up to the end of each of the last six years and the total amounts actually disbursed by the Corporation at the end of each year is given below :—

	Total amount of loans sanctioned at the end of each year	Total amount of loans disbursed at the end of each year	Rs.	Rs.
			Rs.	Rs.
30th June 1949	3,42,25,000	1,32,89,813	
30th June 1950	7,19,25,000	3,40,74,312	
30th June 1951	9,58,20,000	5,78,65,800	
30th June 1952	14,03,45,000	7,75,03,800	
30th June 1953	15,46,70,000	10,06,79,800	
30th June 1954	20,73,75,000	12,88,65,752	

A statement showing the names of the companies to whom the Corporation has sanctioned loans, since its inception up to 30th June 1954, is given in Appendix 'D'.

Criteria applied by the Corporation in sanctioning loans.—In sanctioning loans the Corporation considers all the relevant aspects of a proposal, such as, soundness of the scheme, competency of the management, profit earning capacity and ability to repay the loan.

Corporation's Contribution to Industrial Development.—A statement is attached herewith Appendix 'E' which shows the extent to which the Corporation has contributed to meeting the needs for Industrial Finance during the last six years.

Progress of repayment.—The total amount of interest to be received on the loans since the inception of the Corporation was Rs. 1,47,27,960 out of which a sum of Rs. 1,33,79,119 was actually received.

According to the schedules of repayment of the instalments of principal, the total amount due to the Corporation was Rs. 90,30,000 against which a sum of Rs. 61,44,185 was received.

(Out of the above arrears, interest amounting to Rs. 10,000 and principal amounting to Rs. 1,67,500 have since been received).

Report of the I. F. C. Enquiry Committee.—In the Fifth Annual Report of the Corporation for the year ended the 30th June 1953, a reference was made to the appointment by the Government of India of the Industrial Finance Corporation Enquiry Committee and the Report submitted by the Committee to the Government. The Board submitted its views on the Report, as desired by Government. The Government, after considering the views of the Board or the Corporation, issued a resolution which is reproduced in Appendix 'F'.

The Government have also, following their decision on the Report, given to the Corporation certain instructions on questions of policy, which are reproduced in Appendix 'G'.

State Financial Corporations.—Under the State Financial Corporations Act, 1951, the following State Governments have already established their own State Financial Corporations—

Punjab
Saurashtra
Travancore-Cochin
Bombay
Hyderabad
West Bengal

Arrangements are being made to establish such Corporations in the States of Assam, Uttar Pradesh and Madhya Bharat.

The Industrial Finance Corporation of India is entitled to nominate one Director on the Board of the State Corporation, under Section 10(e) of the State Financial Corporations Act, 1951. The Industrial Finance Corporation of India has appointed the nearest Branch Managers as Directors on the Boards of the State Financial Corporations. In one State the nominee of the Industrial Finance Corporation of India is a member of the Executive Committee of the Board of the State Financial Corporation.

Sodepore Glass Works Ltd.—In the last Annual Report, it was mentioned that the Corporation had taken over the management of a company under Section 28 of the Industrial Finance Corporation Act, 1948. That concern was Sodepore Glass Works Ltd. The plant did not work satisfactorily when production therein was started and certain modifications had, therefore, to be undertaken. For this purpose, the factory was closed on the 20th July 1953. The modifications, which included the reconstruction of the furnace, have been completed by the end of May 1954. The manner in which this factory can now be brought to economical use and the advances made by the Corporation adjusted, is now receiving the Board's consideration.

The total amount due from the Sodepore Glass Works Ltd., on the 30th June 1954, was Rs. 1,03,28,822/14/6, which included Rs. 70,35,486/5/3 on account of loans on Mortgage Deeds and interest thereon, and Rs. 32,93,336/9/3 spent after the management was taken over. Out of the expenditure incurred after taking over the management, an amount of about Rs. 15 lakhs (subject to audit) represents expenditure of capital nature and the balance represents expenditure for running the factory, maintenance of watch & ward and compensation paid to labour laid off or dispensed with.

Acknowledgement of assistance received.—The Board has great pleasure in placing on record its appreciation of the advice received from the various Ministries of the Government of India, such as the Ministry of Commerce and Industry, Food and Agriculture, etc.

The Board is also grateful to the Bombay Millowners' Association for nominating representatives on the Textile Advisory Committee, whose experience and advice have been valuable.

The Board is thankful to the Members who agreed to serve on the Ad Hoc Committee (Sugar) and for their valuable advice.

By order of the Board

V. R. SONALKER
Managing Director

APPENDIX 'A'

Statement showing Industry-wise distribution of loans sanctioned by the Industrial Finance Corporation of India upto 30th June 1954 in each State
(⁰⁰⁰'s Omitted).

Type of Industry	Assam	Bombay	Bihar	Madhya Pradesh	Punjab	Madras	Andhra	Orissa	Uttar Pradesh	West Bengal	Rajasthan	Saurashtra	Madhya Bharat	Travancore-Cochin	Mysore	Hyderabad	Total	No. of Units				
Textile Machinery	Rs. 14,00, (1)	Rs. ..	Rs. ..	Rs. ..	Rs. ..	Rs. 50,00, (1)	Rs. ..	Rs. ..	Rs. ..	Rs. ..	Rs. ..	Rs. ..	Rs. ..	Rs. 64,00, (2)					
Mechanical Engineering	31,50, (2)	..	..	..	..	38,50, (2)	..	..	..	..	3,00, (1)	..	73,00, (5)					
Electrical Engineering	71,70, (5)	12,00, (1)	..	..	..	19,00, (2)	..	..	..	10,50, (1)	16,00, (2)	..	1,29,20, (11)					
Cotton Textiles	46,50, (4)	..	33,75, (2)	..	19,50, (2)	4,00, (1)	50,00, (1)	40,50, (2)	41,00, (3)	30,00, (1)	..	7,00, (1)	15,00, (1)	20,00, (1)	3,07,25, (19)			
Woollen Textiles	10,00, (2)	..	..	..	..	25,00, (1)	..	..	..	35,00, (3)				
Rayon Industry	50,00, (1)	..	..	..	..	4,50,	59,25,	..	..	65,00, (1)	..	65,00, (2)	..	50,00, (1)	2,43,75, (12)			
Chemicals	5,00, (1)	..	..	10,00, (1)	35,00, (1)	..	..	..	..	50,00, (1)	..	..	..	2,35,00, (4)				
Cement	45,00, (1)	..	..	40,00, (1)	..	1,00,00, (1)	..	..	..	5,00, (1)	4,00, (1)	..	1,35,00, (8)				
Ceramics & Glass	23,00, (2)	63,00, (1)	6,00, (1)	..	..	..	..	2,50, (1)	..	..	..	..	..	6,50, (2)				
Oil Mills	4,00, (1)	..	..	..	..	..	..	25,25, (1)	..	..	..	..	..	42,75, (4)				
Electric Power	8,50, (2)	..	..	..	..	9,00, (1)	..	..	..	..	..	..	35,00, (2)				
Metallurgical Industry (Non-Ferrous Metals)	30,00, (1)	..	..	..	..	..	..	..	48,00, (2)	..	..	..	..	..	1,12,50, (8)				
Iron & Steel (Light Engineering)	41,00, (3)	12,50, (1)	..	7,50, (1)	3,50, (1)	..	..	..	50,00, (1)	..	..	..	..	..	50,00, (1)				
Aluminium	40,00, (1)	2,05,50, (8)					
Sugar Industry	70,00, (3)	7,50, (1)	..	43,00, (1)	..	..	45,00, (2)	..	..	..	..	..	..	37,00, (1)				
Mining	37,00, (1)	37,00, (1)			
Paper Industry	24,00, (3)	90,00, (1)	..	..	..	..	15,00, (1)	..	..	..	25,00, (1)	50,00, (1)	..	2,04,00, (7)				
Automobile & Tractor Industry	50,00, (1)	..	..	..	..	..	..	..	..	..	..	..	..	50,00, (1)				
Unclassified	31,70, (4)	5,00, (1)	8,10, (2)	3,50, (1)	10,00, (1)	..	58,30, (9)			
No. of Units Statewise	32	8	3	4	7	1	3	10	19	2	3	1	6	7	2	..	(108)

Note.—The figure in brackets given against the particular type of Industry shows the number of units in each State.

APPENDIX 'B'

Statement showing classification of loans sanctioned by the Industrial Finance Corporation of India, as on 30th June 1954

(According to amounts sanctioned on each application)

	No. of Applications	Amount
Rs.		
(i) Loans not exceeding Rs. 10 lakhs	78	4,31,25,000
(ii) Loans exceeding Rs. 10 lakhs but not exceeding Rs. 20 lakhs.	31	4,81,50,000
(iii) Loans exceeding Rs. 20 lakhs but not exceeding Rs. 30 lakhs.	11	3,00,00,000
(iv) Loans exceeding Rs. 30 lakhs but not exceeding Rs. 40 lakhs.	6	2,33,00,000
(v) Loans exceeding Rs. 40 lakhs but not exceeding Rs. 50 lakhs	9	4,38,00,000
(vi) Loans exceeding Rs. 50 lakhs but not exceeding Rs. 60 lakhs.	..	..
(vii) Loans exceeding Rs. 60 lakhs but not exceeding Rs. 70 lakhs.	..	..
(viii) Loans exceeding Rs. 70 lakhs but not exceeding Rs. 80 lakhs	..	..
(ix) Loans exceeding Rs. 80 lakhs but not exceeding Rs. 90 lakhs.	1	90,00,000
(x) Loans exceeding Rs. 90 lakhs but not exceeding Rs. 1 crore.	1	1,00,00,000
	137	20,73,75,000

APPENDIX 'B'.—contd.

Some companies had to be granted loans in addition to those sanctioned to them on first application. The following table gives the classification of loans sanctioned by the Corporation as on 30th June 1954 according to the total amount sanctioned to each of the 108 units, who had put in 137 applications :—

	No. of Companies	Amount
Rs.		
(i) Loans not exceeding Rs. 10 lakhs	47	2,68,55,000
(ii) Loans exceeding Rs. 10 lakhs but not exceeding Rs. 20 lakhs.	29	4,42,95,000
(iii) Loans exceeding Rs. 20 lakhs but not exceeding Rs. 30 lakhs.	11	2,97,25,000
(iv) Loans exceeding Rs. 30 lakhs but not exceeding Rs. 40 lakhs.	7	2,59,00,000
(v) Loans exceeding Rs. 40 lakhs but not exceeding Rs. 50 lakhs.	11	5,53,00,000
(vi) Loans exceeding Rs. 50 lakhs but not exceeding Rs. 60 lakhs.	..	..
(vii) Loans exceeding Rs. 60 lakhs but not exceeding Rs. 70 lakhs.	1	63,00,000
(viii) Loans exceeding Rs. 70 lakhs but not exceeding Rs. 80 lakhs.	..	..
(ix) Loans exceeding Rs. 80 lakhs but not exceeding Rs. 90 lakhs.	1	90,00,000
(x) Loans exceeding Rs. 90 lakhs but not exceeding Rs. 1 crore.	1	1,00,00,000
	108	20,73,75,000

APPENDIX 'C'

Classification of Loans and Advances sanctioned by the Industrial Finance Corporation of India, since inception upto 30th June 1954, according to new and old undertakings.

During the year ended.	New undertakings*		Old undertakings		Total	
	No. of applications	Amount	No. of applications	Amount	No. of applications	Amount
		Rs.		Rs.		Rs.
30-6-1949	14	2,15,75,000	7	1,26,50,000	21	3,42,25,000
30-6-1950	8	1,64,50,000	15	2,12,50,000	23	3,77,00,000
30-6-1951	11	1,65,45,000	6	73,50,000	17	2,38,95,000
30-6-1952	17	1,93,50,000	16	2,51,75,000	33	4,45,25,000
30-6-1953	8	41,50,000	8	1,01,75,000	14	1,43,25,000
30-6-1954	12	1,89,30,000	17	3,37,75,000	29	5,27,05,000
Total	68†	9,70,00,000	89‡	11,03,75,000	137	20,73,75,000

*Factories which went into production after the 15th August 1947 have been classified as New undertakings.

†These applications relate to loans sanctioned to 52 companies.

‡These applications relate to loans sanctioned to 56 companies.

Total number of companies to whom loans were sanctioned during the last 6 years 108

APPENDIX 'D'

Statement of the Loans sanctioned by the Industrial Finance Corporation of India, New Delhi, since inception
(i.e., from 1st July 1948 to 30th June 1954).

Serial No 1	Name of the Company 2	Location of Factory		Amount of Loan Sanctioned		Purpose for which Sanctioned 7
		Place 3	State 4	New Under- takings 5	Old Under- takings 6	
1	Ki. loskar Oil Engines Ltd.	Poona ..	Bombay ..	Rs. 10,00,000	Rs.	To meet the increased cost of their scheme for manufacturing high speed Diesel Oil Engines.
2	National Electrical Industries Ltd.	Bombay ..	Bombay ..	6,00,000		For the implementation of their scheme for the manufacture of Electric Motors and Transformers.
3	Bengal Potteries Ltd. ..	Calcutta ..	W. Bengal ..		20,00,000	For construction of additional buildings, manufacturing sheds and Tunnel Furnaces and for repaying their bankers
4	Standard Batteries Ltd. ..	Bombay ..	Bombay ..		20,00,000	For extension of Hard Rubber Container Plant for the manufacture of Battery Containers and for the manufacture of Special quality of Lead Oxides.
5	Tatanagar Foundry Co., Ltd.	Tatanagar ..	Bihar ..		12,50,000	For purchase of plant and machinery with a view to modernising their methods of production of C.I. Sleepers for Railways.
6	Sodepore Glass Works Ltd.	Bhurkunda (Dist. Hazari bagh).	Bihar ..	40,00,000		To establish a large automatically worked sheet glass factory at Bhurkunda.
7	Kamaru Metals & Alloys Ltd.	Bombay ..	Bombay ..		30,00,000	For increasing the rolling capacity of Brass and Copper sheets to 9,000 tons per annum and to improve the quality of the products.
8	Crescent Iron & Steel Corporation Ltd	Bombay ..	Bombay ..	3,00,000		For establishing a mechanised foundry for Malleable and Grey Iron Castings and a workshop.
9	Purulia Electric Supply Corporation Ltd.	Purulia ..	Bihar ..	3,00,000		To complete their scheme for putting up a power house and generating plant to supply electricity to the town of Purulia and for repayment of existing liabilities.
10	Bharat Starch & Chemicals Ltd.	Abdulapur (Dist. Ambala).	Punjab ..		10,00,000	To modernise and mechanise the production of Maize Starch and its bye-products.
11	Mettur Chemical & Industrial Corporation Ltd.	Mettur Dam (Dist. Salem).	Madras ..		30,00,000	For expansion of their Caustic Soda and Chlorine Plants at Mettur Dam.
12	Orissa Textile Mills Ltd. ..	Cuttack ..	Orissa ..	40,00,000		To implement their scheme of establishing a Textile Mill in Orissa.
13	Panipat Woollen & General Mills Co. Ltd.	Kharar (Dist. Ambala).	Punjab ..	5,00,000		To implement their scheme for the manufacture of Woollen and Woisted yarn.
14	Hindusthan Heavy Chemicals Ltd	Kharadah (24-Parganas).	W. Bengal ..	12,50,000		For installing a Caustic Soda Plant and for the manufacture of Sulphuric Acid and Barium Salts.
15	Link Industries Ltd. ..	Chinglepet ..	Madras ..	5,00,000		To establish a factory for the manufacture of Zip Fasteners.
16	Machinery Manufacturers Corporation Ltd.	Calcutta ..	W. Bengal ..	43,00,000		To meet the increased cost of establishing their factory for the manufacture of Textile Spinning Machinery, viz., Carding Engines.
17	Hindustan Chemical Works Ltd.	Bombay ..	Bombay ..		4,00,000	For implementing their scheme of manufacturing Sodium Sulphide, Litharge and Pigments, etc.
18	Uberoi Ltd. ..	Meerut ..	U.P. ..	3,00,000		For setting up a factory for the manufacture of sports goods at Ghaziabad.
19	Great Eastern Electroplaters Ltd.	Allahabad ..	U.P. ..	3,50,000		To establish a factory for undertaking Electrolytic Colour and Pattern Plating, Industrial Chromium plating and Electroplating.
20	Punjab Vanaspati & Oil Mills Ltd.	Lucknow ..	U.P. ..	1,75,000		For establishing an Oil Mill at Lucknow.
21	India Cements Ltd. ..	Talaiyuthu (Near Tinnevelly).	Madras ..	40,00,000		To repay the loans raised to complete a Cement Factory with a capacity of 1,00,000 tons a year.
22	Cuttack Electric Supply Co., Ltd.	Cuttack ..	Orissa ..		9,00,000	For acquiring plant and machinery with a view to increasing the output of electricity in order to meet the increased demand.
23	Surat Textile Mills Ltd. ..	Surat ..	Bombay ..	10,00,000		For completing the installation of a new Cotton Mill.
..	National Electrical Industries Ltd.	Bombay ..	Bombay ..	4,00,000		To make up the deficit in the cost of their scheme.
24	Mukand Iron & Steel Works Ltd.	Bombay ..	Bombay ..	(Additional)	25,00,000	For completing the steel foundry development scheme at their Bombay Factory.
25	Metal Corporation of India Ltd.	Factory-Tundoo (Dhanbad) Mines-Zawar (Dist. Udaipur).	Bihar Greater Rajasthan.		30,00,000	For the development of their Lead and Zinc Mines at Zawar.
26	Lokamanya Mills Barsi Ltd.	Barsi, (Dist. Sholapore).	Bombay ..		8,00,000	For renovation and expansion of their mills.
27	Calcutta Electrical Manufacturing Co. Ltd.	Calcutta ..	W. Bengal ..		8,00,000	For extending and improving their existing workshop to handle the manufacture of railway carriage fans and dynamos, motor car spare parts, electric motors and motor pumps, etc.

APPENDIX D—contd.

1	2	3	4	5	6	7
28	Jay Engineering Works Ltd.	Calcutta ..	W. Bengal ..	Rs. 20,00,000	For increasing the production of Sewing Machines to 50,000 per annum.	
29	Hind Chemicals Ltd. ..	Kanpur ..	U.P. ..	1,00,000	For increasing the production of Pharmaceuticals.	
30	Bengal Electric Lamp Works Ltd.	Jadavpur (24 Par-ganas).	W. Bengal ..	11,00,000	For particularly increasing the production of Incandescent Lamp.	
31	Bharat Bijlee Ltd. ..	Bombay ..	Bombay ..	2,50,000	For implementing their scheme for the manufacture of Induction Motors.	
32	Aluminium Corporation of India Ltd.	Asansol ..	W. Bengal ..	40,00,000	For increasing the production of Aluminium Ingots and for the installation of a Sheet Rolling Plant.	
33	Shri Vikram Cotton Mills Ltd.	Lucknow ..	U.P. ..	10,50,000	For the renovation and expansion of their mill.	
34	Pulgaon Cotton Mills Ltd. ..	Pulgaon ..	Madhya Pradesh	10,00,000	For the expansion of their Spinning Department and for conversion of their factory from Steam Drive to Electric Drive.	
..	Orissa Textile Mills Ltd. ..	Cuttack ..	Orissa ..	10,00,000 (Additional).	For Working Capital.	
35	Shangrilla Food Products Ltd.	Bhandup ..	Bombay ..	10,00,000	For establishing a modern biscuit manufacturing factory.	
36	Modi Spinning & Weaving Mills Co. Ltd.	Modinagar (Dist. Meerut).	U.P. ..	30,00,000	For purchase of additional looms steam turbine and for making up the deficit in the cost of their scheme.	
..	Hind Chemicals Ltd. ..	Kanpur ..	U.P. ..	3,00,000 (Additional).	For subscribing to the shares of Messrs. Cilag-Hind Ltd., floated in conjunction with a Swiss Firm for manufacturing Cilag preparations in India.	
37	Savatram Ramprasad Mills Co., Ltd.	Akola ..	Madhya Pradesh	10,00,000	For installation of additional looms and spindles in order to make their mills an economic unit.	
..	Aluminium Corporation of India Ltd.	Asansol ..	W. Bengal ..	10,00,000	For the installation of a Boiler Plant.	
38	Hindustan General Electrical Corporation Ltd.	Karampura (Dist. Manbhum).	Bihar ..	12,00,000	For completion of their factory for manufacturing Radio receiving sets.	
39	Bagaitar Co-operative Sugar Producers' Society Ltd. (Since changed to Pravara Sahakari Sakhar Karkhana Ltd.).	Loni Bank (Dist. Ahmednagar).	Bombay ..	20,00,000	For establishing a sugar manufacturing plant of 400/450 tons capacity.	
40	Small Tools Manufacturing Co. of India Ltd.	Calcutta ..	W. Bengal ..	2,50,000	For establishing a factory for the manufacture of small metal working tools.	
..	Kirloskar Oil Engines Ltd. ..	Poona ..	Bombay ..	10,00,000 (Additional)	To increase the production of Diesel Oil Engines to 6,000 engines per year.	
41	Jyoti Ltd.	Baroda ..	Bombay ..	6,50,000	To implement their scheme for the manufacture of Deep Well Turbine Type Borehole Pumps.	
42	Mahendra Mills Ltd. ..	Kalol ..	Bombay ..	8,00,000	For the setting up of a Spinning & Mercerising Plant.	
43	National Rayon Corporation Ltd.	Kalyan (Dist. Thane).	Bombay ..	50,00,000	To meet the increased cost of plant and machinery and imported raw materials in connection with their scheme for setting up a Rayon Factory at Bombay.	
..	Crescent Iron & Steel Corporation Ltd.	Bombay ..	Bombay ..	2,00,000	For working their Malleable Iron Foundry and Workshop.	
44	Rayalaseema Mills Ltd. ..	Adoni (Dist. Bellary).	Andhra ..	4,00,000	To pay for the balance of value of machinery etc., in connection with their scheme for putting up a Textile Mill.	
45	Oswal Woollen Mills Ltd. ..	Ludhiana ..	Punjab ..	3,00,000	For importing machinery for the manufacture of Woollen Hosiery Yarn.	
46	Machinery Manufacturers Corporation Ltd.	Calcutta ..	W. Bengal ..	7,00,000	For the purchase of Raw Materials.	
47	Great Eastern Electroplaters Ltd.	Allahabad ..	U. P. ..	70,000	For the purchase of a metal utensil fabricating plant and for working capital.	
48	Bengal Fine Spinning & Weaving Mills Ltd.	Calcutta ..	W. Bengal ..	11,00,000	For implementing their scheme of putting up a Cotton Spinning Mill.	
49	New Maneekchock Spinning & Weaving Co., Ltd.	Ahmedabad ..	Bombay ..	10,00,000	For replacing and renovating their old and worn out machinery.	
50	Hand Made Paper Ltd. ..	Ogalevadi (Dist. Satara).	Bombay ..	3,00,000	For increasing the production of Hand Made Paper to 12,000 lbs. per day.	
51	Solar Batteries & Flashlights Ltd.	Bombay ..	Bombay ..	8,50,000	For the installation of a plant for manufacturing Dry and Layer Built Batteries.	
52	Punjab Vanaspati & Oil Mills Ltd.	Lucknow ..	U. P. ..	75,000	For Working Capital.	
53	Digvijay Cement Co. Ltd.	Jamnagar ..	Saurashtra ..	50,00,000	To increase their output of cement from 1 lac to 2 lacs tons per annum.	
54	Matchwell Electrical (India) Ltd.	Poona ..	Bombay ..	12,00,000	For the setting up of a table and railway carriage fan manufacturing factory at Poona.	
55	Panipat Woollen & General Mills Co., Ltd.	Kharar (Dist. Ambala).	Punjab ..	2,00,000	To implement their scheme for the manufacture of Woollen & Worsted Yarn.	
56	Digvijay Woollen Mills Ltd.	Jamnagar ..	Saurashtra ..	25,00,000	For setting up of a complete woollen factory.	

APPENDIX D—contd.

1	2	3	4	5	6	7
57	Cauvery Spinning & Weaving Mills Ltd.	Vellannur (Pudukkottai)	Madras ..	7,50,000		For balancing their Mills into a composite unit by adding more spindles.
58	Dhrangadhra Chemical Works Ltd.	Dhrangadhra ..	Saurashtra ..		25,00,000	For replacing and renovating their existing Soda Ash Plant Rs. 10,00,000 and for installing a Sodium Hydrosulphide Plant—Rs. 15,00,000 (latter not made available because the scheme was dropped).
59	Premier Automobiles Ltd. ..	Bombay ..	Bombay ..	50,00,000		For producing an increased number of component parts for motor vehicles now being assembled by them.
60	Ogale Glass Works Ltd. ..	Ogalevadi (N. Satura)	Bombay ..		20,00,000	For the expansion of their glass, enamelware and hurricane lantern factory at Ogalevadi.
61	Gwalior Forest Products Ltd.	Shivpuri ..	Madhya Bharat		3,50,000	For repayment of loans and for working capital.
62	Aluminium Industries Ltd.	Kundara ..	Travancore-Cochin.	10,50,000		For purchase of plant and machinery with a view to double their Aluminium Wire Drawing capacity.
63	Sodepore Glass Works Ltd.	Bhurkunda (Dist. Ilazaribagh)	Bihar ..	7,00,000 (Additional)		To meet the increased cost of their scheme for establishing the sheet glass factory at Bhurkunda.
64	San Equip Ltd. ..	P. O. Serampur (Hooghly)	W. Bengal ..	5,00,000		For financing their scheme of manufacturing Metal Sanitary Wares.
65	Hindustan National Glass Mfg. Co., Ltd.	Rishra ..	W. Bengal ..	14,00,000		For financing the scheme of putting up of a glass factory at Calcutta for the production of 25 tons of glass-ware per day.
66	Aryind Boards & Paper Products Ltd.	Bilimora (Dist. Surat)	Bombay ..		9,00,000	For increasing their output of Boards to 8,000/0,000 tons per annum.
67	Suedes & Leatherettes Ltd.	Bangalore ..	Mysore ..	10,00,000		To finance their scheme envisaging manufacture of Surgical Plasters, Ballon Fabrics, Rubberised cloth, etc.
68	National Electrical Industries Ltd.	Bombay ..	Bombay ..	10,00,000 (Additional)		For working capital requirements in connection with the scheme for the manufacture of Electrical Motors and Transformers.
69	Shree Sadul Textiles Ltd. ..	Sri Ganganagar ..	Greater Rajas-than.	15,00,000		For meeting the shortfall in working capital on account of heavy investments on fixed assets.
70	Muzafforepore Electric Supply Co., Ltd.	Muzafforepore ..	Bihar ..		5,50,000	For purchase of plant and machinery so as to increase the output of electricity.
71	Nizam Sugar Factory Ltd.	Shakarnagar (Dist. Nizamabad)	Hyderabad (Dn.)		40,00,000	For meeting the shortfall in working capital on account of heavy investments on fixed assets of their new 3500 ton plant.
72	Asia Chemicals Ltd. ..	Ghaziabad (Dist. Meerut)	U. P. ..		50,000	For construction of buildings for their factory at Ghaziabad for the manufacture of Nitro-Cellulose Lacquers.
73	Swastik Rubber Products Ltd.	Poona ..	Bombay ..	12,00,000		For the installation of new machinery for the manufacture of Automobile Rubber Products and cut rubber thread, for Working Capital and repayment of loan.
74	Mysore Paper Mills Ltd. ..	Bhadravati ..	Mysore ..		50,00,000	To increase their annual output of paper to 8,000 tons.
75	Hindusthan Heavy Chemicals Ltd.	Kharadah (Dist. 24-Parganas)	W. Bengal ..	2,50,000 (Additional)		For working Capital.
76	Travancore Ogale Glass Mfg. Co. Ltd.	Alwaye ..	Travancore-Cochin.		5,00,000	For the installation of automatic bottle making machinery so as to increase their production to 8½ tons of glass-ware per day.
77	Mysore Electrical Industries Ltd.	Bangalore ..	Mysore ..	4,00,000		For expanding production and improving the quality of Switch and Control Gears, now being manufactured by them.
78	Dhakeswari Cotton Mills Ltd.	Damodar (Dist. Burdwan)	W. Bengal ..	20,00,000		For establishing a cotton mill at Damodar (West Bengal).
79	Mahendra Mills Ltd. ..	Kalol ..	Bombay ..		6,00,000 (Additional)	For working capital.
80	Shree Sadul Textiles Ltd.	Sri Ganganagar ..	Greater Rajas-than.	5,00,000 (Additional)		For working capital and for putting up a power plant.
81	Paper & Pulp Conversions Ltd.	Village Khopoli (Dist. Kolaba)	Bombay ..	12,00,000		To establish an up-to-date factory at Khopoli, to increase their manufacturing capacity to 3,500 tons of paper and Board per year.
82	Pulgaon Cotton Mills Ltd.	Pulgaon ..	Madhya Pradesh		3,75,000 (Additional)	To be utilised for the purchase of Humidification plant and looms and new machinery for electrification.
83	Dhrangadhra Chemical Works Ltd.	Dhrangadhra ..	Saurashtra ..		40,00,000 (Additional)	For expanding their existing Soda Ash Plant with a view to increase their rated capacity to 120 tons per day.
84	Mysore Glass & Enamel Works Ltd.	Bangalore ..	Mysore ..		4,00,000	For manufacture of Hypodermic and other Syringes and thermometers.
85	Saswad Mali Sugar Factory Ltd.	Malinagar (Dist. Sholapore)	Bombay ..		20,00,000	To raise their crushing capacity to 750 tons per day.
86	Associated Pigments Ltd. ..	Calcutta and P.O. Sukchar. (24-Parganas).	W. Bengal ..	7,50,000		For the purchase of machinery for the manufacture of Zinc Oxide and non-setting type of Red Lead and Battery Litharge.

APPENDIX D—contd.

1	2	3	4	5	6	7
87	Sodepore Glass Works Ltd.	Bhurkunda (Dist. Hazaribagh)	Bihar ..	8,00,000 (Additional)		To meet the increased cost of their scheme for the establishment of a sheet glass factory at Bhurkunda.
88	Fertilisers & Chemicals (Travancore) Ltd.	Alwaye ..	Travancore-Cochin.	50,00,000		For the implementation of their scheme to set up an Ammonium Chloride plant with a view to utilise a part of their Ammonia production and save the use of Sulphuric Acid as also to install equipment for burning pyrites for the manufacture of Sulphuric Acid.
89	Solar Batteries & Flash Lights Ltd.	Bombay ..	Bombay ..	6,00,000 (Additional)		For meeting Working Capital requirements.
90	Mysore Kirloskar Ltd.	Harihar ..	Mysore ..		3,00,000	For the acquisition of further machinery for the manufacture of lathes, machine tools, planning machines, etc., and for meeting working capital requirements.
91	Central Potteries Ltd.	Nagpur ..	Madhya Pradesh		6,00,000	For installing modern and upto-date plant and machinery for manufacturing crockery.
92	Deccan Sugar & Abkhari Co. Ltd.	Pugalur & Samalkot	Madras, Andhra		35,00,000	For acquisition of Fixed Assets with a view to complete the modernisation of their two sugar factories at Samalkot and Pugalur.
93	Jay Engineering Works Ltd.	Calcutta ..	W. Bengal ..		16,00,000 (Additional)	For increasing the production of sewing machines.
94	Mukand Iron & Steel Works Ltd.	Bombay ..	Bombay ..		8,00,000 (Additional)	For the implementation of their scheme for the manufacture of tool, alloy, and special steel with a view to increase their present capacity to 2,400 tons per annum.
95	Shree Sadul Textiles Ltd.	Sri Ganganagar ..	Greater Rajas-than.	10,00,000		For working capital requirements.
96	National Rolling & Steel Ropes Ltd.	Shamnagar .. (Dist. 24-Parganas)	W. Bengal ..		10,00,000	For the implementation of their scheme, which envisages the installation of a Wire Drawing Plant and a Steel Wire Rope Manufacturing Plant.
97	Standard Pharmaceutical Works Ltd.	Calcutta and Serampur (Hooghly).	W. Bengal ..		6,75,000	For co-ordinated all round development and mechanisation of their existing process of working by installation of improved types of machines with a view to attain increased production of improved quality.
98	Kirloskar Oil Engines Ltd.	Poona ..	Bombay ..	5,00,000 (Additional)		For meeting the shortage of working capital faced by them on account of heavy imports of engines consequent upon engines below 10 H. P. being placed under O. G. L.
99	Shree Krishna Rajendra Mills Ltd.	Mysore ..	Mysore ..		15,00,000	For the replacement of spindles which have been in continuous use for a long time.
100	Savatram Ramprasad Mills Co. Ltd.	Akola ..	M. Pradesh ..		10,00,000	For the expansion of the Mills to make it an economic unit by addition of further looms and spindles their existing unit.
101	Mettur Chemical & Industrial Corporation Ltd.	Mettur Dam (Dist. Salem)	Madras ..		5,00,000 (Additional)	To enable the Company to purchase steel containers to sell liquid chlorine and for purchasing stocks of graphite electrodes.
102	Atlas Cyclo Industries Ltd.	Sonopat .. (Dist. Karnal)	Punjab ..	7,50,000		For implementation of their scheme for increasing the production of cycles from 21,000 to 1 lac cycles per year.
103	Sundaitta Cotton Seed Utilisation Ltd.	Hubli ..	Bombay ..	3,50,000		For the acquisition of additional machinery with a view to increase their installed capacity from 12 tons to 30 tons per day of cotton seeds to be processed for making Linters, oil and cakes.
104	Dewan Bahadur Ramgopal Mills Ltd.	Hyderabad ..	Hyderabad ..		20,00,000	For the expansion of their spinning and weaving Departments by adding further looms and spindles.
105	Gourepore Electric Supply Co. Ltd.	P.O. Gorifa (Nuihati)	W. Bengal ..		25,00,000	For the expansion of their power house by adding high pressure Boiler capacity with a view to meet the anticipated future demand.
106	Kirloskar Electric Co. Ltd.	Bangalore ..	Mysore ..	12,00,000		For the implementation of their scheme of expansion to undertake the manufacture of Distribution Transformers.
107	Bangasri Cotton Mills Ltd.	Sodopore (24-Parganas)	W. Bengal ..		10,00,000	To meet the cost of extension of their Mills by adding dyeing, bleaching, humidification and finishing machines with necessary buildings, with a view to make their unit an economic and balanced one.
108	Cosmos India Rubber Works Ltd.	Bombay	Bombay ..	3,50,000		For the purchase of land, buildings, plant and Machinery and for working capital, to enable the Company to work their existing plant to its installed capacity for the manufacture of mechanical rubber goods.

APPENDIX D—contd.

1	2	3	4	5	6	7
109	Star Paper Mills Ltd. . .	Saharanpur . .	U. P. . .		15,00,000	For the purchase of Machinery to enable them to complete their scheme formulated to remove certain bottlenecks in their existing plant and improve their working efficiency.
110	Sen-Raleigh Industries of India Ltd. . .	Asansol . .	W. Bengal . .	38,00,000		For the acquisition of plant and machinery, for the implementation of their scheme to manufacture complete cycles and cycles components and accessories.
111	Uberoi Ltd. . . .	Meerut . . .	U. P. . .	90,000		For construction of sheds and buildings and the installation of sundry items of machinery to implement their expansion scheme for the manufacture of sports goods.
112	Shree Rajendra Mills Ltd. . .	Salem . . .	Madras . .		12,00,000	For the acquisition of additional spindles.
113	Metal Corporation of India Ltd. . .	Factory— Tundoo (Dhanbad) Mines Zawar (Dist. Udaipur). . .	Bihar Greater Rajas-than. . .		7,00,000 (Additional)	To pay for certain plants and machinery ordered by them in connection with their expansion scheme.
114	Raja Bahadur Motilal Poona Mills Ltd. . .	Poona . . .	Bombay . .		18,50,000	To meet the cost of their expansion scheme envisaging the installation of additional spindles and other machinery.
115	Kalyanpur Lime & Cement Works Ltd. . .	Banjari (Dist. Shahabad). . .	Bihar . .		45,00,000	For the acquisition of fixed assets, viz., plant and machinery to implement their scheme for expanding their capacity to 1,25,000 tons per annum.
116	Deccan Sugar & Abkhari Co. Ltd. . .	Samalkot . .	Andhra . .		8,00,000 (Additional)	For working capital to be utilised mostly for boring wells for the irrigation of agricultural lands in order to facilitate the growing of more sugar cane.
117	Balarama Varma Textiles Ltd. . .	Shenocottah . .	Travancore-Cochin. . .	7,00,000		To be utilised for paying off a part of temporary borrowings obtained from Banks, Managing Agents and others and for working capital requirements.
118	Indian Hardware Industries Ltd. . .	Bombay . . .	Bombay . .	2,00,000		For the purchase of additional machinery to enable them to undertake the manufacture of hinges of 5" and 6" sizes and to increase their production to 7,25,000 dozen pairs of hinges per annum.
119	Ceramic Products Ltd. . .	Khanapar (Dist. Belgaum). . .	Bombay . .	3,00,000		To enable them to increase their present production capacity to 160 tons of pipes and 60 tons of refractories, as also to undertake the manufacture of 40 to 50 tons of floor tiles per month.
..	Indian Hardware Industries Ltd. . .	Bombay . . .	Bombay . .	1,00,000 (Additional)		The earlier sanction of Rs. 2 lacs was increased by Rs. 1 lac on the representation of the Company that their minimum requirement for the scheme in view was Rs. 3 lacs.
120	Punalur Paper Mills Ltd. . .	Punalur . . .	Travancore-Cochin. . .		25,00,000	To enable the Company to complete their post-war scheme of renovation modernisation and expansion with a view to increase their production capacity to 6,500 tons of paper per annum, to produce papers of better quality.
121	Bengal Chemical & Pharmaceutical Works Ltd. . .	Panihati (24-Parganas). . .	West Bengal . .		20,00,000	To meet the cost of their expansion scheme envisaging the installation of a new sulphuric acid plant with a capacity of 25 tons per day.
122	Travancore Titanium Products Ltd. . .	Trivandrum . .	Travancore-Cochin. . .	15,00,000		To enable the company to repay the existing liabilities and for working capital to restart production of Titanium Oxide immediately, on account of the favourable conditions in the overseas market.
123	Hindusthan Chemical Works Ltd. . .	Bombay . . .	Bombay . .		1,00,000 (Additional)	For the completion of their scheme for the manufacture of Sodium Sulphide, Litharge and Pigments.
124	Canara Workshops Ltd. . .	Mangalore . . .	Madras . .		3,50,000	For the implementation of their scheme to increase their production capacity for the manufacture of automobile leaf springs.
125	Ramnord Research Laboratories Ltd. . .	Bombay . . .	Bombay . .	6,20,000		For the implementation of their scheme of modernising and expanding their laboratories for processing motion picture films and for developing and printing of photographic still colour films.
126	Sitalpore Sugar Works Ltd. . .	Garanj . . .	Bihar . .		7,50,000	For the implementation of the first stage of their scheme of rehabilitation and to pay off the mortgage loan incurred for shifting the factory.
127	Sundatta Cotton Seed Utilisation Ltd. . .	Hubli . . .	Bombay . .	50,000 (Additional)		For the purchase of equipment for cooling cotton seed oil to conform to the Standard of quality specified by leading firms and equipment for bleaching the cotton-seed oils.

APPENDIX D—concl'd.

1	2	3	4	5	6	7
128	Solar Batteries & Flash Lights Ltd.	Bombay	Bombay ..	70,000 (Additional)		To enable the Company to implement the agreement entered into with the G.E.C. of India Ltd., by which they were expected to take over the entire distribution of the Company's products throughout India.
129	Gourepore Electric Supply Co., Ltd	P.O. Gorifa (Nahat).	W. Bengal ..		25,000 (Additional)	To enable the Corporation to hold majority of debentures.
130	Bengal Chemical & Pharmaceutical Works Ltd.	Panihati (24- Pariganas).	W. Bengal ..		10,00,000 (Additional)	For completing the construction of buildings, which will form a part of the security to the Corporation.
131	Mahalakshmi Sugar Mills Co. Ltd	Iqbalpur (Dist. Saharanpur).	U. P.		20,00,000	To enable the Company to shift their factory from their existing site at Hamira to Iqbalpur (U.P.) with a view to ensure a steady supply of sugarcane.
132	Godavari Sugar Mills Ltd.	Sakarwadi and Lakshtiwadi (Dist. Ahmednagar).	Bombay ..		30,00,000	To enable the Company to renovate their existing plant with a view to improve efficiency and quality of products, and for working capital.
133	Rohtas Industries Ltd.	Dehri-on-Sone (Dist. Shahabad).	Bihar ..		90,00,000	For the implementation of their scheme to increase the production capacity of paper from 20,000 to 40,000 tons per annum as also to improve their pulp plant.
134	Orissa Cement Ltd.	P.O. Rajgangpur (Dist. Sundargarh).	Orissa ..	1,00,00,000		For the implementation of their scheme to increase their production of cement from 1,65,000 tons to 3,65,000 tons per annum.
135	Sir Shadi Lal Sugar & General Mills Ltd.	Mansurpur (Dist. Muzaffarnagar).	U.P. ..		25,00,000	For the implementation of their scheme for increasing their crushing capacity to 1,800 tons of sugarcane per day.
136	National Electrical Industries Ltd.	Bombay	Bombay ..	2,00,000 (Additional)		For working capital requirements.
137	Sodepore Glass Works Ltd.	Bhurkunda (Dist. Hazaribagh).	Bihar ..	13,00,000 (Additional)		For capital expenditure and for working capital.
			Total ..	9,70,00,000	11,03,75,000	

APPENDIX 'E'

Statement showing

(a) Number of units assisted in each type of industry.
 (b) Total paid-up capital of the units in each type of industry.
 (c) Total installed capacity each industry will have when the loans are fully availed of.
 (d) Total Sales in 1953.

APPENDIX 'F'

MINISTRY OF FINANCE
RESOLUTION

New Delhi, the 23rd December 1953

Report of the Industrial Finance Corporation enquiry
Committee—Action on the—

No. 2(70) F-III/53.

During the course of discussions on the Industrial Finance Corporation (Amendment) Bill, 1952 certain criticism about the work of the Corporation was made in both the Houses of Parliament. The principal allegations were of nepotism and favouritism in the grant of loans particularly to big industries. The Government of India decided that these charges should be investigated by an impartial Committee. In December 1952, a Committee was accordingly set up under the Chairmanship of Shrimati Sucheta Kripalani, M.P., to enquire into the working of the Corporation. The terms of reference of this Committee, whose other members were Shri V. B. Gandhi, Shri Sri Narayan Mahtha, Shri P. A. Narielwala, Shri R. Suryanarayana Rao and Shri G. Basu, were :

- (1) to scrutinise the loan transactions of the Corporation with reference to the allegations about nepotism and favouritism, made during the discussion of the Industrial Finance Corporation (Amendment) Bill in Parliament;
- (2) to verify whether in general due care has been exercised in the grant of loans;
- (3) to review generally the policy followed by the Corporation in the grant of loans with due regard to the objectives of the Act and the directions issued by the Government; and
- (4) to make recommendations, if necessary, for improvement in the working of the Corporation.

The Committee submitted its Reports on the 7th May 1953.

2. In its report the Committee has made a number of general recommendations and dealt at length with a specific loan namely that granted to the Sodepore Glass Works. The case of the Sodepore Glass Works is still under Government's consideration and the final decision of the Government will be announced in due course. Meanwhile, this resolution sets out the decisions taken by Government on the general recommendations and conclusions of the Committee.

3. In regard to the first term of reference, the Committee has not found that the allegations made in Parliament about partiality and favouritism were established and has generally exonerated the Corporation. It has, however, made some unfavourable observations to the effect that applications in which the Chairman or other Directors take interest receive more expeditious and liberal treatment and that the Corporation carries a bias in favour of established concerns with which any prominent industrialist is associated. The material on which these remarks are based is not given in the report although the Committee has made certain observations in its examination of individual cases, which might suggest that some favour or leniency was shown. Government have had every one of these cases most carefully examined and find it difficult to accept the view expressed by the Committee especially in regard to liberality of treatment meaning thereby larger loans or easier conditions not justified by business considerations. Government have no hesitation in agreeing with the Committee that the charges of nepotism and favouritism against the Corporation have not been proved.

3A. The recommendations of the Committee may, for convenience, be grouped into three classes, *viz.* administrative and organisational matters, procedural matters and matters of policy. In the following paragraphs a brief analysis of the recommendations and the action proposed to be taken on them are set out.

4. (A) *Administrative and Organisational*

(i) Para 38.—The Corporation should be remodelled so as to have a full time paid Chairman to be assisted by a General Manager in place of the present arrangement of an Honorary Chairman and a paid whole-time Managing Director.

Government agrees in principle that it would be an advantage to have a whole-time paid Chairman. This will require an amendment of the Act.

(ii) Paras 39 and 43.—Every branch office should have a regional panel of advisors out of which a few could be

selected ad hoc to deal with each loan application and the Board of the Corporation should occasionally meet in Bombay, Calcutta, Madras, etc.

Government agrees that the Board of the Corporation should occasionally meet at important centres other than Delhi which is its Headquarters as suggested by the Committee. The suggestion about panels of regional advisors for the branch offices has been carefully considered, but having regard to the fact that the Corporation is a financial institution dealing in a special type of loan finance, Government considers it preferable that the Corporation should obtain advice on a functional rather than a regional basis. To secure proper consultation with industry the Corporation have already appointed a Textile Advisory Committee and are considering the appointment of similar other functional committees for different groups of industries.

(iii) Para 48.—Too much concentration of powers in the hands of the Managing Director is undesirable, and the duties and powers of the Managing Director and the Deputy Managing Director should be well defined.

In deference to the observations of the Enquiry Committee, the Corporation have already under examination how far the existing procedure needs to be changed consistently with the ultimate responsibility of the Chief Executive. Moreover, when a full-time Chairman is appointed he would be the Chief Executive and the problem would no longer survive.

(iv) Para 48.—The right to appoint Directors on the Board of loanee companies should be more generally observed, such representatives should function as Directors of the loanee companies and not act merely as observers and they should be authorised to sign the balance sheet and profit and loss account of the borrowing concerns.

The Corporation does exercise the right to nominate Directors on the Boards of the borrowing concerns as and when they feel it necessary to do so and the representatives of the Corporation function as Directors and not merely as observers. As regards the representatives of the Corporation signing the balance sheets, etc., Government sees considerable force in the Corporation's view that by doing so, there is risk of the representatives getting unnecessarily involved in possible litigations and would leave the matter to the discretion of the Corporation.

(v) Para 26(2).—It should be ensured that the Board of the Corporation is not dominated by big industrial interests and that in nominating members of the Board, the Government should see that an economist, a managerial expert and a chartered accountant are included. One of the nominated Directors should also be a person interested in the development of small industries.

Government are generally in agreement with these views. Since Government must necessarily have some representatives on the Board, it may not always be feasible to include in the nominations all the interests mentioned by the Committee and it may sometimes happen that one of the other Directors is an economist or a managerial expert etc.

5. (B) *Procedural*

(i) Paras 20, 22 and 53.—A Director of the Corporation who has any interest in an industrial concern which has applied for a loan should disclose his interest in the loan. A concern in which a Director of the Industrial Finance Corporation is a Managing Director or a Director/Partner/Shareholder in the Managing Agency concern should not be eligible for loan. Any loan to a concern in which a Director of the Corporation is only an ordinary Director or a Shareholder should require the unanimous vote at a meeting of the Board of Directors in which at least 2/3rds of the Directors qualified to vote should be present. A Director of the Corporation who is interested in any loan transaction should not be present at the meeting of the Executive Committee of the Board where the particular loan is under discussion.

Government agree that Directors of the Corporation must invariably disclose whatever interest they may have in applications pending with the Corporation. This suggestion has already been accepted by the Corporation. Government also agree that the Director concerned should withdraw from the meeting when the application in which he is interested is under discussion.

At present, nearly 60% of the share capital of the Corporation is contributed by banks, insurance companies, co-operative banks, etc., who have a right to return 6 out of the 12 directors on the Board excluding the Managing and Deputy Managing Directors. These Directors, at any

rate are likely to be Managing Directors or partners or shareholders in the managing agency concern of some of the applicant companies. The total exclusion of all such companies from eligibility for loan from the Corporation would not only be a hardship to the companies but may not even be practicable unless the entire character of the Corporation is changed and the capital composition radically altered. The Banking Companies Act imposes restriction on unsecured loans only whereas all loans by the Corporation are granted on proper security. The Corporation have, however, agreed that loan applications in such cases may be reserved for the full Board. The presence on the Board of two Government officers, who can be given requisite directives in the matter, also affords a further safeguard in such cases. Government have further decided to direct the Corporation to report to Government all cases of the grant of loans in which a Director or the Corporation is a Managing Director or a Director/partner/shareholder in the managing concern of the applicant undertaking. As regards cases of loans to companies in which a Director of the Corporation is an ordinary Director or shareholder, attendance of 2/3rds of the Directors at the Board meeting and unanimous decisions would be inconvenient in practice but Government have decided that all such cases should be reported to Government if loans are sanctioned at meetings at which less than half the Directors are present or the decision is not unanimous.

(ii) Paras 32, 36 and 37.—The Board of Directors should usually exercise the final authority regarding the sanctioning of loans and a convention should be established requiring the Executive Committee to keep back difficult and important cases for the Board's approval. In the alternative, the present Executive Committee may be abolished and a Loan Committee constituted to assist the Board. The detailed terms and conditions of loans should not be left to be negotiated by the Managing Director.

The recommendation that the Board should usually exercise the final authority for sanctioning loans seems redundant since under Section 6 of the Act general superintendence and direction of the affairs and business of the Corporation is entrusted to the Board of Directors and the final responsibility in respect of loans as in other matters is that of the Board. Government agree that the Executive Committee should reserve for the Board cases that it considers difficult. It is open to the Board from time to time to give directions that particular categories or kinds of applications should be reserved by the Executive Committee for the Board's consideration. Government feel that it would not be proper to restrict the authority of the Board to function through sub-committee. Whether it is necessary to change the nomenclature of the Executive Committee to Loan Committee will be considered in due course.

Government understand that in fact it is the present practice of the Board and the Executive Committee to sanction the essential terms and conditions of loans (which have been largely standardised) in each case; the Managing Director is charged only with securing acceptance of the terms and conditions and any variations therein other than those of minor detail have to be referred again to the Executive Committee or the Board as the case may be. Government are satisfied that no change is called for in this procedure.

(iii) Paras 26(3), 46 and 47.—The Corporation should publish more informative and comprehensive annual reports and quinquennial reviews disclosing names of all loanees, setting out of activities and fortunes of individual borrowing concerns and surveying the trend of development in the industries generally, etc. The form of balance sheet and profit and loss account statements should also be revised.

Government agree that the annual reports of the Corporation should be as informative as possible. Government have also decided to direct the Corporation to publish the names of borrowing concerns to whom loans are sanctioned. Government consider that any attempt to assess the fortunes of individual borrowing concerns is likely to be objectionable from the point of view of its possible effect on the credit of the concerns but agree that general reviews of development of industries particularly in the field in which the Corporation has advanced loans should be attempted by the Corporation in its reports. Government also agree that the reports of the Corporation should contain fuller particulars in all other respects as recommended by the Committee.

As regards the form of balance-sheet, Government have referred the matter for advice to the Comptroller & Auditor General who is vested under the recent amendment to the Act with powers to audit the accounts of the Corporation.

(iv) Paras 27, 28, 29 and 30.—A minimum margin of 50 per cent should be observed in sanctioning loans; care should be taken to ensure that the value of their assets is not inflated by the borrowing concerns; greater attention should be given to the proper assessment of the earning capacity of the borrowing concerns; the financial stakes of the Directors and the Managing Agents of the applicant concern should be taken into account; and the long-term capital needs of the concern should be fully apprised before a loan is granted. The Managing Agents of any borrowing concern should not be at liberty to dispose of their shareholdings in the borrowing concern without the prior approval of the Corporation.

The recommendations are generally acceptable to the Government and it is understood that, in fact, they are in conformity with the standards and practices that the Corporation has been following.

Government agree that the financial stake of the Managing Agents or Managing Directors should be taken into account but consider that it would not be desirable to insist on any particular minimum shareholding by them in the borrowing concern. The Corporation have pointed out that the personal guarantee of the managing agents is also taken as a rule as additional security.

As for non-disposal of shareholding in a borrowing concern, Government consider that where such financial stake has been taken into account by the Corporation as a factor of safety, transfer without the approval of the Corporation should be prohibited.

(iv) Paras 34 and 35.—Delays in sanctioning loans and in disbursing money against loans should be reduced, particularly delays involved in examination of legal titles and documents. Legal expenses recoverable from the borrowing concerns should be brought down and the Corporation should fix a graduated scale of fees to cover legal costs. The practice of part payments of loans on the hypothecation of assets pending completion of mortgage deeds should also be adopted.

Government agree with the Committee that every attempt must be made to minimise delays and to reduce costs to the applicant borrower. The Corporation has already evolved suitable standard drafts and the cost to the applicants for such drafting is thereby reduced. The Corporation is already making interim loans wherever possible pending the execution of regular mortgage deeds.

(vi) Para 26(5).—The Industrial Finance Corporation should have a proper agency of technical staff, etc.

Government accept this recommendation. In fact, a Technical Advisor has been recently appointed by the Corporation. Besides, on technical questions, the Corporation freely draws on the technical advice of the Commerce & Industry Ministry or the concerned Ministry of Government.

(vii) Para 40.—When a concern has to be taken over by the Industrial Finance Corporation it should be entrusted, as a general rule, to a nominated Board of Directors in preference to departmental management or management through a managing agency firm. Sale of such an Industrial concern should not be made except under very special circumstances and without prior reference to the Government.

The only concern which the Corporation so far has had occasion to take over, *viz.*, Sodepur Glass Works is being run by a nominated Board of Directors. The experience of the Corporation, however, in this regard until now is extremely limited and Government do not consider it desirable, to lay down any hard and fast rule.

As regards the sale of such a concern, Government consider that it would not be desirable to pre-judge a matter in a general way as suggested and that the Corporation must be left to judge each case on its own merits. Government also consider it important that the responsibility of safeguarding its own interest and recovering its own monies of a Statutory Corporation like this should not in any way be qualified. The Government Directors may be left to represent to the Board any point of view of public policy that might be relevant in Government's opinion in connection with any concrete case.

C. Matters of Policy

(i) Paras 25(4), 25(8) and 25(5).—The Corporation should conform to the priorities for industrial development as laid down in the Plan and to the programmes of development in respect of 42 industries recommended by the Planning Commission. No loan should be granted by the Corporation generally in respect of industries where "the saturation point" has been reached.

Government agree with the recommendation that the priorities drawn up by the Planning Commission should be given due weight by the Corporation. The programmes

of development in respect of 42 industries drawn up by the Planning Commission do not, however, exhaust the entire development in the private sector envisaged in the plan. Since the enactment of the Industries (Development and Regulation) Act, licences are now required for the setting up of new units or 'substantial expansion' of existing units and Government understand that the Corporation have already adopted the practice of not considering applicant concerns within the licensable field for grant of loans until they have obtained licences from the Commerce & Industry Ministry.

As regards the so-called saturated industries Government agree that loans should be restricted only to proposals for rehabilitation or modernisation. They consider, however, that it may not be possible to have any rigid criteria putting a complete ban on loans to such industries as suggested by the Committee.

(ii) Paras 25(7), 26(9), 45(7) and 54.—With reference to Section 6(3) of the Industrial Finance Corporation Act, Government should issue directives to the Corporation regarding principles that should be followed by the Corporation. Government should give to the Corporation a clear indication as to which regions or areas should be treated as backward, with a view to enabling the Corporation to give a preference to such areas. The Corporation should be directed to refer all loans in excess of Rs. 50 lakhs for sanction to the Central Government at ministerial level for the next 3 years. Government should consider whether directives should not be issued to the Corporation outlining the policy that should be followed in the matter of grant of loans for non-productive purposes (e.g., construction of labour quarters, canteens, roads in the factory area, etc.).

The Industrial Finance Corporation represents a new experiment in the field of industrial finance and principles could be evolved and practices established only in the light of actual experience. Moreover, two senior officers of Government have been serving as Directors on the Board of the Corporation and even otherwise, there has been close liaison between the Corporation and the Ministries and other Government agencies. For these reasons, there has not so far been any occasion to issue a directive to the Corporation except once sometime in 1948. In the light of the experience now available and the recommendations of the Enquiry Committee, Government would issue directives to the Corporation embodying its decisions recorded in this resolution.

The Committee have themselves acknowledged the difficulty of particularising the backward areas. Hitherto the funds of the Corporation have been sufficient to deal with all eligible applications so that there has been no occasion for according regional priorities. Government will, however, consider the question of issuing a directive in respect of any particular backward region if and when the necessity arises.

The competence of the Corporation to grant loans in individual cases beyond Rs. 50 lakhs was enhanced by law as recently as in 1952. Since then, there has been no case of any individual loan exceeding Rs. 50 lakhs. Government do not see sufficient justification for altering the present position and qualifying this power by requiring loans exceeding Rs. 50 lakhs to be put up for Government sanction. Government, however, agree that all loans in excess of Rs. 50 lakhs should be reported to Government.

As regards the grant of loans for non-productive purposes, while Government agrees that the more essential items of expenditure should receive priority of consideration at the hands of the Corporation, there would be obvious difficulties in practice in making a distinction between productive and non-productive expenditure. Government understand that the Corporation is already alive to the considerations in the mind of the Enquiry Committee. Thus, for instance, since the introduction of the Industrial Housing Scheme by Government, the Corporation has been disallowing the utilisation of loan advances for purposes for which the companies would be eligible for assistance under the scheme. Government are satisfied that it is best to leave the matter as it is.

(iii) Para 41.—No strong case for the nationalisation of the Corporation at this stage has been made out. Direct interference by Members of Parliament in the day to day administration of the Industrial Finance Corporation should be avoided but with a view to enable Parliament to look more systematically into the affairs of the Corporation and other similar statutory Corporations, the appointment of a Public Corporation Committee of Parliament may be considered.

The views of the Committee have been noted by Government that there is at present no case for nationalisation of the Industrial Finance Corporation.

As regards the recommendation that a Public Corporation Committee of Parliament should be constituted for looking into the affairs of this and other statutory corporations, Government are of the view, for reasons already stated in Parliament on behalf of Government that such Committee is not necessary at the present stage of development.

(iv) Para 26(4).—The Corporation should not participate in equity or risk capital.

This conforms to the practice hitherto followed by the Corporation and Government accept the recommendation.

(v) Para 26(4).—When the Reserve Fund of the Corporation aggregates to Rs. 5 crores, the question of participation in equity capital of concerns which have been paying dividends regularly may be considered. Government should also consider whether the Corporation should not be empowered to keep the right of converting a part or whole of the loan capital into share capital in such an event.

The right to be vested in the Corporation would presumably be to acquire equity capital at *par* and by fresh issue when it desires to convert its loan into equity capital. The Corporation would obviously seek to do this when shares of the borrowing concerns are quoting at a premium and this would obviously be unfair to the shareholders of the concern. Government does not consider it advisable to vest such authority in the Corporation which would have the result of deterring would-be borrowers.

(vi) Para 26(7).—Private limited companies should not be eligible for grant of loans by the Corporation and the present statutory ban should continue.

Government accepts the recommendation.

(vii) Para 42.—The Corporation may guarantee temporary loans which a borrowing concern may require from a bank from time to time.

It is felt that since the Corporation is entitled to advance working capital in cases of difficulty, this is not necessary.

(viii) Para 44.—A system of deferred payments of interest should be allowed where interest charges prove to be a burden to a new project.

This object is already being achieved by a more elastic arrangement, the Corporation allowing postponement of payment of interest in cases of genuine difficulty.

(ix) Para 49.—The definition of 'processing of goods' referred to under Section 2(c) of the IFC Act should be widened.

This is a matter of legal interpretation and as no difficulty has so far been reported, there is hardly any necessity for making a change.

(x) Para 50.—The question whether foreign concerns which though registered in India do not have a majority of shareholders of Indian Nationality should be eligible for loans should be considered.

The position of foreign concerns of this kind must continue to be regulated by Government's general policy in respect of foreign companies and it is unnecessary to consider it separately for the purpose of loans by the Corporation.

(xi) Para 51 and 52.—Where the individual States do not have the resources to have separate financial Corporations, joint Corporation for more than one State should be set up. The fields of the activities of the IFC and the State Finance Corporations should be properly demarcated.

Government agrees that it may be necessary to consider the setting up of a Joint State Finance Corporation by more than one State and has already addressed the State Governments indicating that they would be prepared to consider promoting the necessary amendments to the State Finance Corporations Act, 1951, to enable this to be done if any concrete demands are forthcoming.

The fields of activities of the IFC and the State Finance Corporations are largely demarcated by the provisions in the relevant laws. State Finance Corporations have just started functioning and should occasion arise in the light of experience for more definitely demarcating the fields of the Central and State Finance Corporations, this would be considered.

(xii) Para 55.—Applicants for loans should produce proper income-tax clearance certificate and all parties before the Income-tax Tribunal should be excluded.

Government agree that companies which are known to be evading due taxes should not be eligible for finance through the Corporation. It is understood that full particulars regarding payment of income-tax are regularly

obtained by the Corporation at the time of acceptance of applications and it seems unnecessary to prescribe production of income-tax clearance certificates which in some cases may not be available on account of the assessment being in arrears without any fault of the Company.

7. The Government of India considers that the report of the Committee is of great value in clearing some of the misconceptions about the working of the Industrial Finance Corporation. The Recommendation of the Committee should go a long way towards further improving the working of this institution which is a new experiment in the field of industrial finance in this country, so that it may play even more useful and vital part in the development of industry. The Government wish to record their thanks to the Chairman and Members of the Committee for the pains they have taken in conducting the valuable assistance they have rendered.

ORDER

Ordered that a copy of the Resolution be communicated to all concerned.

Ordered also that it be published in the Gazette of India.

K. G. AMBEGAOKAR
Secretary to the Government of India
Ministry of Finance, Department of Economic Affairs

APPENDIX 'G'

Copy of letter No. F.2(9)—F.III/54, dated the 3rd April, 1954, received from Shri S. G. Barve, I.C.S., Joint Secretary to the Government of India, Ministry of Finance, Department of Economic Affairs, and addressed to the Managing Director, Industrial Finance Corporation of India, New Delhi.

Ref : Government Resolution No. 2 (70)—F.III/53, dated 23rd December 1953 regarding action on the Report of the Industrial Finance Corporation Enquiry Committee.

In exercise of the powers conferred on them in that behalf by sub-section (3) of section 6 of the Industrial Finance Corporation Act, 1948 and in continuation of this Ministry's letter No. 134-Adl-S/48, dated the 21st August, 1948, the Central Government are pleased to give the following instructions on questions of policy :—

(i) The Board of the Corporation should occasionally meet at important centres like Bombay, Calcutta,

Madras, etc., other than Delhi which is its Headquarters.

- (ii) Directors of the Corporation must invariably disclose whatever interest they may have in applications for loans (including share-holding in the loanee company or its managing agency) pending with the Corporation and the Director concerned should withdraw from the meeting when the application for loan in which he is interested is under discussion. A register similar to that prescribed under section 91A(3) of the Indian Companies Act should be maintained by the Corporation.
- (iii) The annual reports of the Corporation should be as informative as possible and should contain general reviews of development of industries particularly in the fields in which the Corporation has advanced loans. The names of borrowing concerns to whom loans are sanctioned should also be published in these reports.
- (iv) In sanctioning loans, a minimum margin of 50 per cent should be generally aimed at and greater attention should be given to the proper assessment of the earning capacity of the borrowing concern. The financial stakes of the Directors and the Managing Agents of the applicant concern should also be taken into account and where such financial stake has been taken into account by the Corporation as a factor of safety, the Directors and the Managing Agents concerned should not be at liberty to dispose of their share-holdings in the borrowing concern without the prior approval of the Corporation.
- (v) A report should be sent to Government with full particulars whenever loans in excess of Rs. 50 lakhs in individual cases are decided to be granted by the Corporation. A report should also be sent to Government of all cases of the grant of loans in which a Director of the Corporation is a Managing Director or a Director/Partner/Shareholder in the Managing Agency concern of the applicant undertaking. In cases of loans to companies in which a Director of the Corporation is an ordinary Director or shareholder a report should be sent if loans are sanctioned at meetings at which less than half the Directors are present or the decision is not unanimous.

INDUSTRIAL FINANCE CORPORATION OF INDIA

Keeling Road, New Delhi
Balance Sheet as at 30th June 1954

Capital & Liabilities				Property & Assets				
	Rs.	A. P.	Rs.	A. P.	Rs.	A. P.	Rs.	A. P.
1. Capital Authorised			10,00,00,000 0 0		1. Cash in hand and with Bankers		17,76,711 4 3	
Issued & Paid-up			5,00,00,000 0 0		2. Investments—Govt. Securities. (Securities of the face value of Rs. 1,95,00,000/- have been pledged with the Reserve Bank of India as per contra).		2,00,38,357 8 0	
2. Reserve Funds :					3. Loans & Advances		12,10,13,167 10 0	
(a) Special Reserve Fund under Section 32-A (1) of the Industrial Finance Corporation Act.			4,56,075, 0 0		4. Debentures .. ..		.. ..
(b) Other Reserves			5,50,000 0 0		5. Guarantees and underwriting agreements per contra.		.. ..
3. Reserve for Doubtful Debts			5,00,000 0 0		6. Other Assets (Including Rs. 9,88,555.8-9 being the value of land and other incidental charges on account of Corporation's premises).		69,63,805 0 3	
4. Provision for Taxation			18,00,595 14 11					
5. Bonds & Debentures			7,80,50,000 0 0					
6. Borrowings from Reserve Bank of India :			1,23,50,000 0 0					
(a) Under Section 21(3) (a) of the Industrial Finance Corporation Act (Secured by pledge of Govt. Securities of the face value of Rs. 1,95,00,000 as per contra).								
(b) Under Section 21(3)(b) of the Industrial Finance Corporation Act.								
7. Borrowings in Foreign Currency								
8. Fixed Deposits								
Total Carried over			14,37,06,670 14 11		Total Carried over		14,97,92,041 6 6	

Balance Sheet—contd.

Capital & Liabilities			Property & Assets		
	Rs. A. P.	Rs. A. P.		Rs. A. P.	Rs. A. P.
Total Brought forward ..		14,37,06,670 14 11	Total Brought forward ..		14,97,92,041 6 6
9. Contingent Liabilities under Guarantees and underwriting agreements per contra.		..			
*10. Other Liabilities ..		43,66,734 5 7			
11. Profit & Loss Account (Subject to provision for taxation).		17,18,636 2 0			
Total ..		14,97,92,041 6 6	Total ..		14,97,92,041 6 6

NOTE.—*The items 'Other Assets' and 'Other Liabilities' include contra entries in respect of subvention of Rs. 26,89,126-4-6 received from the Central Government for payment of guaranteed dividend upto the year ended the 30th June, 1952.

† This includes Rs. 70,35,486-5-3 for advances to the Sodepore Glass Works Ltd., and Rs. 32,93,336-9-3 for costs, charges and expenses incurred after the management of the concern was taken over under Section 28 of the Industrial Finance Corporation Act, 1948. While the security is not sufficient to cover the advance, no provision has been made in the accounts to cover any deficiency. No interest has been charged for the year on the advances made to this Company.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 1954

	Rs. A. P.	Rs. A. P.		Rs. A. P.	Rs. A. P.
Establishment	5,11,950 13 9				
Directors' Fees and Expenses ..	29,859 0 6				
Auditors' Fees	8,000 0 0				
Rents, Taxes, Insurance, Lighting, etc.	55,003 4 6				
Law Charges	2,150 0 0				
Postage, Telegraph and Telephone Charges.	14,960 0 3				
Stationery, Printing, etc. ..	18,558 10 1				
Depreciation and repairs to Corporation's property.	14,746 8 6				
Interest paid	25,19,000 1 10				
Contribution to Staff & Superannuation Funds.	..				
Miscellaneous Expenses ..	84,107 2 8	32,55,744 10 1			
Reserve for Doubtful debts ..		5,00,000 0 0			
Net Profit carried to Balance Sheet. (Subject to provision for taxation).		17,18,636 2 0			
		54,74,380 12 1			
					54,74,380 12 1

A. CHATTERJEE Shir P. C. Bhattacharyya (Chairman)

Deputy Managing Director Shri S. G. Barve, I.C.S. (Director)

Shri S. C. Ray (Director) Shri Sri Ram (Director)

Shri Syamnandan Sahaya (Director) Shri S. Bhoothalingam (Director)

I.C.S.

V. R. SONALKER

Managing Director

Shri H. C. Captain (Director)

Shri L. S. Vaidyanathan (Director)

Shri V. P. Varde (Director)

REPORT OF THE AUDITORS

TO THE SHAREHOLDERS

OF THE INDUSTRIAL FINANCE CORPORATION OF INDIA.

We, the undersigned Auditors of the Industrial Finance Corporation of India, do hereby report to the shareholders upon the Balance Sheet and Accounts of the Corporation as at 30th June 1954.

We have examined the above Balance Sheet with the Accounts and Vouchers relating thereto and the certified returns from the Branches, which returns are incorporated in the above Balance Sheet, and report that where we have called for explanations and information, such information and explanations have been given, and have

been satisfactory. In our opinion, the Balance Sheet is a full and fair Balance Sheet containing all necessary particulars and properly drawn up in accordance with the Act and the Regulations of the Corporation so as to exhibit a true and correct view of the state of the affairs of the Corporation according to the best of our information and explanations given to us and as shown by the books of the Corporation.

S. B. BILLIMORIA & CO.
S. VAIDYANATH AIYAR & CO.
Chartered Accountants

New Delhi :

Dated, 12th August 1954.

STOLEN

The Government Promissory Note No. By053146 of the three per cent. loan of 1963-65 for Rs. 500 originally standing in the name of Accountant General, High Court, Bombay, and last endorsed to Harilal Vishram Ponda, the proprietor, by whom it was never endorsed to any other person, having been stolen, notice is hereby given that the payment of the above Note and the interest thereupon has been stopped at the Public Debt Office, Reserve Bank of India, Bombay, and that application is about to be made for the issue of Duplicate in favour of the proprietor. The public are cautioned against purchasing or otherwise dealing with the above mentioned security.

Name of the advertiser—Harilal Vishram Ponda.

Residence—Dahanu.

CHANGE OF NAME

The name of Shri Aildas Jagumal of Ajmer has been changed to Shri Ashok Jagumal of Ajmer.

CHANGE OF NAME

The name of Shri Narain Singh son of Ganesh Ram of Narsinghpura has been changed to Shri Narain Singh S/O Natha Ram of Narsinghpura.

CHANGE OF NAME

The name of Shri Khanchand Hukumat Rai Butani of Ajmer has been changed to Shri Kishinchand Hukumat Rai Butani of Ajmer.

CHANGE OF NAME

The name of Shri Bhagwan Dass Shutarkhana Mohalla, Nasirabad has been changed to Shri Bhagwan Singh.

CHANGE OF NAME

Be it known to all that, I, DAKAVARAPU SATYAM Storehouseman, Section 7, Indian Naval Armament Depot, WALTAIR, should be called hereafter as DAKAVARAPU SATYANARAYANA.

CHANGE OF NAME

I, Chandan Singh Bisht S/o Khushal Singh Bisht an employee of Central Telegraph Office, Kanpur, do hereby declare that my name Chandan Singh, which has inadvertently been recorded in the official records, henceforth be called as Chandan Singh Bisht.

CHANDAN SINGH BISHT
Central Telegraph Office,
Kanpur

CHANGE OF NAME

Be it known to all concerned that I, SHREEPAT SINGH VERMA, have changed my name to JAIDEV and henceforth to be known and addressed as such.

CHANGE OF NAME

Mr. G. Narayana, Clerk, Claims Supdt's Office, Central Railway, Secunderabad, wishes to be known as J. Narayana.

CHANGE OF NAME

I, Santhiappa Achary, Carpenter, No. 290, C.R. Shop, S. Rly., Madras, shall henceforth be known as Santhiappa Pillai.

CHANGE OF NAME

LAXMIKANT GOVINDRAO, Clerk, Loco Shed, Central Railway, Wardha, will in future be known by name L. G. GUGGALWAR.

CHANGE OF NAME

It is hereby notified that the undersigned serving as clerk, Kankaria Road, P.O. Ahmedabad, has changed his name from Nathalal Vithalray Bhatt to Naresh Kumar Vithalray Bhatt.

Dated 26th Jan. 1954

N. V. BHATT
Clerk, Postal Deptt.

CHANGE OF NAME

I, Sri Sudhansu Kumar Mitry, employed in the Office of the Conciliation Officer (Central), Calcutta II, Ministry of Labour, shall henceforth be renamed as Sudhansu Kumar Mitra as per deed executed and submitted to on the 19th July 1954.

SUDHANSU KUMAR MITRA
9/1J, Sahanagar Road
Calcutta 26

CHANGE OF NAME

I, the undersigned Sri V. S. Gopalan Auditor, A.G.'s Office, Mysore, Bangalore, hereby notify that I have changed my name to Sri S. Venugopalan, on my own desire.

V. S. GOPALAN
A.G.'s Office, Bangalore

NOTICE

Jagatjit Distilling & Allied Industries Limited, Jagatjit Nagar District Kapurthala (Patiala & East Punjab States Union)

Notice is hereby given that the Ninth Ordinary Annual General Meeting of the Shareholders of Jagatjit Distilling & Allied Industries, Limited, will be held at the Registered Office of the Company at Jagatjit Nagar, on Sunday the 26th September 1954, at 11 a.m. to transact the following business :—

1. To receive and adopt the Directors' report and the audited accounts and balance sheet for the year ending 31st December 1953.
2. To declare dividend.
3. To elect Directors.

4. To elect Auditors, for the current and fix their remuneration. Messrs. Mehra, Khanna & Company, the retiring Auditors, are eligible and offer themselves for re-election.

5. To deal with any other business brought up with the permission of the Chairman.

The Share Transfer Books of the Company will remain closed from the 17th to the 26th September 1954, both days inclusive.

By order of the Board

C. K. KHANNA
Secretary

Jagatjit Nagar

15th August 1954

Note.—Shareholders, who are unable to attend the meeting personally, are requested to kindly send their proxies on the form which may be obtained from the Company, so as to reach the Company, 72 hours before the meeting.

NOTICE**Notice of Final Meeting (See Section 208 E)**

**Jullundur District Wholesale Cloth Syndicate Ltd.
(In Voluntary Liquidation)**

NOTICE is hereby given that a General Meeting of the members of the above named company will be held at Jain Market, Jullundur on Saturday, the 18th September 1954 at 10 A.M. to receive the account of the Jullundur District Wholesale Cloth Syndicate Ltd. Liquidators showing how the winding up of the Company has been conducted and its property disposed of, to hear any explanation that may be furnished by the Liquidators, and to pass an Extra Ordinary Resolution as to the disposal of books, accounts and documents of the Company and of the Liquidation thereof.

MATHRA DASS

HARBANS LAL
Liquidators

The Jullundur District, Wholesale

Cloth Syndicate Ltd.
(In Vol. Liq.)

Jain Cloth Market
Jullundur City

Dated the 18th August 1954.

NOTICE**Advertisement of Special Resolution of Winding Up
In the matter of Indian Companies Act**

The Mamburam Tile and Clay Works (In liquidation)

Notice is hereby given that a special resolution of the above named Company was passed on 22nd August 1954 whereby it was resolved that the Mampuram Tile and Clay Works Ltd. be wound up voluntarily and that P. Abdul Rahiem be appointed liquidator for the purpose of such winding up.

P. ABDUL RAHIE
Liquidator

Tirurangadi, the 26th August 1954.

NOTICE

In the matter of Indian Companies Act
and

In the matter of S. M. Hanif (India) Ltd. having its registered office at No. 18, Zakaria Street, Calcutta.

Notice is hereby given that by an Order made by the High Court at Calcutta in the above matter dated the 3rd day of May 1954 on the petition of Messrs. India Jute Balancing Ltd. of No. 68, Nalini Sett Road, Calcutta, a creditor of the above company, it was ordered that the above

company be wound up by this Court and that the Official Receiver of this Court be appointed the Official Liquidator of the affairs of the said company.

K. K. DUTT & CO.

Attorneys for the said petitioning creditors

10, Hastings Street, Calcutta

Dated this 16th day of July 1954.

NOTICE

Advertisement pursuant to Sec. 206 of The Indian Companies Act of 1913

In the matter of Davangere Vanaspati Vegetable Oil Co. Ltd., Davangere

At a Meeting of the Share Holders of the Company duly called and convened at its Registered office on the 12th day of August 1954, the following extra-ordinary Resolutions were duly passed by them.

1. "Resolved that the Company *viz.* Davangere Vanaspati Vegetable Oil Company Limited be wound up in the manner referred to in the Indian Companies Act of 1913 as a "Creditors' Voluntary Winding Up" of the Company as the Company by reason of its liabilities is unable to continue its business and as it is advisable to wind up the Company."

2. It is resolved that Sri. A. V. Hanumantha Rao, B.A., B.L., Pleader, Davangere, be and is hereby appointed liquidator of the Company for the purpose of winding up of the affairs of the Company and the distribution of the assets."

For Davangere Vanaspati Vegetable Oil Co. Ltd.,

For Davangere Industrial Agencies Ltd.,

R. RAMA SETTY

Managing Director

Managing Agent

Davangere, the 12th August 1954

NOTICE

Jaipur Metals & Electricals Ltd., Jaipur

The shareholders of the above Company are hereby informed that Shri Mohanlal Sharma of Jaipur, a shareholder of the Company has notified his intention to

propose in the ensuing General Meeting of the shareholders of the Company, to be held on the 19th September 1954, a resolution for the appointment of Shri B. D. Bhargava, M.A., B.Com., R.S.A. (Rajasthan) of Jaipur, as Auditor of the Company in place of or in addition to the retiring Auditors Messrs. Sharp & Tannan of Bombay.

For Jaipur Metals & Electricals Ltd.,

For Poonamchand & Bros. Ltd.,

P. R. KAMANI

Managing Director
Managing Agents

Dated Jaipur, the 6th September 1954

NOTICE

Jaipur Metals & Electricals Ltd., Jaipur

The shareholders of the above Company are hereby informed that Shri B. D. Mashalkar of Jaipur, a shareholder of the Company has notified his intention to propose in the ensuing General Meeting of the shareholders of the Company, to be held on the 19th September 1954, the name of Messrs. K. N. Gutgutia & Co., of Jaipur, as auditors of the Company in place of Messrs. Sharp & Tannan for auditing the accounts of the Company for the current year on the remuneration which may be fixed by the General Meeting.

For Jaipur Metals & Electricals Ltd.,

For Poonamchand & Bros. Ltd.,

P. R. KAMANI

Managing Director
Managing Agent

Dated Jaipur, the 1st September 1954

CORRIGENDUM

In the advertisement published over the signature of the undersigned on pages Nos. 67, 69-70 and 71 of the Gazette of India dated the 3rd, 10th and 17th July 1954 respectively the loan percentage of the G.P. Notes Nos. 106703/07 for Rs. 100 each should be read as 3 per cent 1896-97 and not 3½ per cent 1896-97 as appearing in the advertisement.

(Sd.) SUDHIR KUMAR MUKHERJEE

Address.—Rly. St. & P.O. Sheikhpura, Dist. Monghyr (Bihar).

